



RAILROAD COMMISSION OF TEXAS

SURFACE MINING AND RECLAMATION DIVISION

September 6, 2007

Mr. Josh Leftwich, Environmental Manager
Uranium Energy Corporation
400 Mann Street, Suite 400
Corpus Christi, TX 78401

RE: Uranium Exploration Corporation (UEC)
Weesatch Project, Goliad County
Uranium Exploration Permit No. 123A

Dear Mr. Leftwich:

We have completed a post-remediation survey for gamma radiation on selected areas within the permit boundary of uranium exploration Permit No. 123A. This survey was conducted as a follow-up to our initial survey performed in March and sent to you on May 10, 2007. Two instances of gamma radiation above our observed background levels (4-7 micro-R/hr) were identified, possibly indicating that insufficient topsoil was placed over drilling mud or cuttings near two plugged boreholes. These areas will be further evaluated during our next inspection in September to determine whether any anomalies exist with respect surface reclamation of the disturbance resulting from these two boreholes. The post-remediation gamma radiation survey revealed that all other sampled areas were at or below our observed background levels.

Please feel free to call me should you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "John E. Caudle".

John E. Caudle, P. E.
Surface Mining and Reclamation Division

JEC/flj

Enclosure